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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/428,284	10/27/1999	ANDREW D. HOLMES	3894	4449

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EXAMINER

PWU, JEFFREY C

ART UNIT	PAPER NUMBER
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3628

DATE MAILED: 05/18/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/428,284

Applicant(s)

HOLMES ET AL.

Examiner

Jeffrey Pwu

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UW

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☐ Responsive to communication(s) filed on ____.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-20,22,24-33,35-50 and 52-56 is/are pending in the application.
- 4a) Of the above claim(s) ____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) ____ is/are allowed.
- 6) ☒ Claim(s) 1-20,22,24-33,35-50 and 52-56 is/are rejected.
- 7) ☐ Claim(s) ____ is/are objected to.
- 8) ☐ Claim(s) ____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on ____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. ____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. ____. |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date ____. | 6) <input type="checkbox"/> Other: ____. |

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DETAILED ACTION

Claim Rejections - 35 USC § 102

1. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

2. Claims 1-20, 22, 24-33, 35-50, and 52-56 are rejected under 35 U.S.C. 102(e) as being unpatentable over NEMZOW (US 2001/0011241).

NEMZOW discloses a computer-implemented system for managing financial transactions, a method for applying an exchange rate to convert a transaction from a first currency to a second currency, comprising:

receiving, by a computer system, a financial transaction, including a date and a transaction amount in the first currency (100);

accessing, by the computer system, an electronically stored plurality of historical exchange rates for the first currency with respect to the second currency, each exchange rate corresponding to a time period (110; paragraph [0050]);

responsive to the date of the received financial transaction corresponding to a time period of one of the historical exchange rates (paragraph [0051]);

automatically selecting, by the computer system, the historical exchange rate (paragraph [0052]);

responsive to the date of the received financial transaction not corresponding (360) to a time period of one of the historical exchange rates, automatically selecting, by the computer system, a historical exchange rate having the most recent time period among available historical exchange

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rates having time periods prior to the date of the received financial transaction (steps 100-150 of fig.2;);

automatically applying, by the computer system, the selected historical exchange rate to the received financial transaction, to derive a converted transaction amount in the second currency; and performing at least one of the steps of: storing the converted transaction amount in a storage medium; and outputting the converted transaction amount (paragraph [0049-0061]; storing the received financial transaction including the date, the transaction amount, and the selected exchange rate paragraph [0063].

Response to Arguments

3. Applicant's arguments filed 3/2/2004 have been fully considered and carefully reviewed but they are not persuasive.

Applicant argues that the prior art reference NEMZOW fails to show the limitation "if the date of the transaction corresponds to a time period of one of the historical exchange rates, automatically selecting the historical exchange rate, and if the date of the transaction does not correspond to a time period of one of the historical rates, automatically selecting a historical exchange rate having time periods prior to the date of the transaction". However, NEMZOW inherently discloses this limitation. NEMZOW discloses:

"[0032] a currency translation system that provides for the dynamic translation of a first currency value into a target currency value for the purpose of aiding localization and globalization of financial transactions. The system may be used as a standalone translation system or it may be embedded in a larger application such as a financial analysis program or a Web commerce program. The system takes as input the starting currency, a target currency, and transaction rules. The system maintains a database of currency rates, currency histories, conversion rules and currency representation data. Optimization and backtracking techniques are used to deal with partial rate information and in order to find optimal valuations involving a triangulation of currency translations. The system can produce a single result or a matrix of results from which the user can choose an optimal valuation. The system also provides for the

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formatting of a numerical currency value into a presentation specific to the locale of the translation request.

[0033] Further, the system includes support for translation from a single original currency to plural objective currencies, either as a single original to a single objective, a single original to plural objectives, plural originals to one-for-one plural objectives, plural originals to plural objectives. In other words, one basis can generate a specific target or a list of targets in different currencies, or multiple sources can generate a one-for-one translation or a complex collection of lists.

[0043] The currency converter system 10 accepts a plurality of inputs that define a basis, or original, currency. The currency converter system 10 also accepts inputs that define the transaction. The currency converter system 10 translates the original currency value, according to these inputs and also stored conversion rules, into a value for an objective currency, or target currency. The currency converter system 10 then provides an output in a format as required by the user, whether the user is a person or a process.

[0046] Because currency value is relative to other currencies and because value fluctuates over time due to fluctuations between currencies and the time value of money, a complex data structure is required to keep track of currency values over time in order to effectively translate currencies. This is accomplished in the present embodiment of the invention, by the combined data structures of the currency codes data structure 40 combined with the FX valuation data structure 60. The two data structures combined store currency identification information, time values and an associated basis, which is described above. For historical values of currency, currency rates would be delivered by the rate data feed, or data having multiple entries with various associated times and bases, in relation to a plurality of other currencies could be stored. In alternative embodiments, the Euro could be used as a base currency. In further alternative embodiments, a basis may be translated to a currency equivalent such as gold, platinum, palladium, silver, or rhodium.

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[0049] A translation process to be performed by the currency converter 15 could be a present-time conversion from one currency to another, but the process could also be a historical or future value of money through a translation of currency histories or futures, respectively, and data for those transactions may be entered accordingly. The translation process could also be from a currency basis to optioned values of currency.

[0050] Next, conversion rules are specified, block 110. Conversion rules include the conversion rate and the source of conversion rate data. The conversion rules can be taken from a number of sources: immediate user input, a database with conversion rates and country, currency, and symbol information, or computer dictionary lookup table, and/or foreign exchange rate data feeds. By taking user input for conversion rules and rates, the system can handle both known and previously unfamiliar currencies, and can calculate with both known and previously unfamiliar rates.

[0051] Next, the conversion rules are customized in response to the user inputs and the transaction rules. This step includes matching the user inputs against user specified conversion rules, a table of currency conversion rates, or a database with currency conversion rates, block 120. The database may be maintained current through various optional methods such as electronic media and delayed or live feed electronic delivery. Further, customizing the conversion rules includes operations such as reconciling currency price differences, handling complex triangulation discrepancies, computing a balance sheet, or systematic work-in-progress contra-asset category for rounding errors.

[0052] The currency value is then translated, block 130. That is, the customized conversion rules are used to translate the original currency to the target currency.

[0053] Where the currency value translation is not a straightforward application of conversion rules to input data, the translation issues are resolved, block 140. The issues may include issues of currency spreads (i.e. the difference between bid and ask prices), historical, delayed, future

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and/or interest laden spreads, spot quotes, swaps, future contracts, and remittances during the conversion process. In the preferred embodiment, a matrix solution is used to optimize the value of the currency using the user specification. Optimization methods of determining the most efficient path from a first point to a second point, such as determining which currency translations yield the most value, are well known and any one of a number of optimization methods may be used here. Ideally, the optimization method chosen would preserve most of the value of the base currency in the conversion process by finding the largest numerical amount resulting from currency trade preferably by checking amount breakpoints and multiple brokerages for best results. ”

Furthermore, according to NEMZOW and FASB-52, it is common practice in accounting to facilitate the foreign currency exchange to select an exchange rate if the date of the transaction corresponds to a time period of one of the historical exchange rates, and automatically selecting the historical exchange rate if the date of the transaction does not correspond to a time period of one of the historical rates, then selecting a historical exchange rate having time periods prior to the date of the transaction based on the selected transaction rules.

Conclusion

4. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event,

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however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Jeffrey Pwu whose telephone number is 703 308-7835.

Jeffrey Pwu



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**JEFFREY PWU
PRIMARY EXAMINER**